

# **Freight Logistics Optimization Works**

## MESSAGES FROM FLOW PARTICIPANTS

"From the outset we've been excited to be part of the inaugural group in the FLOW initiative. The great work the group has done so far has only increased our enthusiasm for its mission. All the participants have shared critical data that will collectively give us the ability to solve some of these supply chain bottlenecks. We believe it will help us deliver products to our customers more efficiently and in a more costeffective way."

- Chris Kempa, CEO of True Value Company"

"Over the past year, I have had the honor to serve as a member of the FLOW initiative organized by the United States Department of Transportation. This effort is proving to be a groundbreaking first step in creating the supply chain of tomorrow – one that is data driven, responsive, and agile in the face of continual disruption. This effort showcases the progress we can make when we form public-private partnerships, as we work to arm stakeholders with the tools needed to create comprehensive and sustainable solutions that will strengthen the entire supply chain ecosystem."

- Yone Dewberry, SVP & Chief Supply Chain Officer, Land O'Lakes, Inc.

#### FLOW PURPOSE AND OVERVIEW

FLOW is a Federally-convened, privately-led effort spearheaded by the United States Department of Transportation (USDOT) to exchange data between a variety of supply chain stakeholders within the United States. The primary purpose of the data exchange is to provide statistical products to optimize network capacity and establish macroeconomic indicators of goods moving throughout the supply chain.

FLOW stakeholders include beneficial cargo owners, ocean carriers, non-vessel operating common carriers, ports and marine terminal operators, motor carriers, railroads, intermodal equipment providers, and warehousers. FLOW is an operating paradigm where information is shared in a common view of the National Logistics System (NLS).

The central tenets of FLOW are the following:

- FLOW is a voluntary, secure national exchange for operational freight information
- FLOW analysis is available to stakeholders who participate and share qualified data
- FLOW is sustained by benefit to commercial operations of stakeholders through a common view of the national logistics system

By sharing supply and demand asset information, stakeholders are more able to make decisions and take actions that drive fluidity throughout the NLS.

#### FLOW OPERATIONAL INFORMATION EXCHANGE

FLOW measures the Nation's cargo traffic demand against infrastructure and equipment supply, leading to a novel approach to optimize the use of supply chain assets. USDOT works with freight stakeholders to aggregate and deidentify demand forecasts of containerized freight volume and to provide timely and accurate asset supply at system nodes. The resulting dataset provides two key forms of supply chain insight: 1) a measure of health in the supply chain as it communicates the degree of oversupply or undersupply of logistics assets and thus helps to communicate the health of the economy as a whole, and 2) a preview window into supply chain performance across shipment lifecycles.

#### PARTICIPANT ONBOARDING AND PHASES OF FLOW





Sign up for a FLOW user account



Execute a FLOW Memorandum of Agreement



Begin sharing data



Set regular data submission process



Review FLOW data for applicability to own business planning

"Working through remaining challenges in the supply chain is essential to ensure U.S. consumers have the home appliances and consumer electronics they want and need. Today, data sharing enabling timely cargo delivery is a work in progress but remains incomplete. Fixing this problem will require cooperation with many stakeholders across the supply chain."

- KS Choi, President and CEO of Samsung Electronics North America

#### **FLOW GOVERNANCE**

# Attend General Assembly Sessions

Attend bi-monthly FLOW sessions for progress update

# Serve on subteams

Industry engagement

Data analysis

Platform development

### Serve on Executive Committee

Work with USDOT on strategic questions to advance FLOW

